PRESENTATION OUTLINE

- OBJECTIVES
- METHODOLOGY
- SUMMARY OF FINDINGS
- DETAILED FINDINGS
  - Reactions to the Mailing
    - Awareness of Mailing
    - Involvement with Catalog
    - Recall of Catalog Elements
  - The Items
  - Catalog Imagery
    - Comparisons to 1993 Catalog
    - Suggested Improvements
  - Smoker Imagery
  - Potential Impact of V-Wear Program on Purchase of Virginia Slims
  - Coupon Usage
    - Coupons From Catalog
    - General Usage of Coupons
  - The Virginia Slims Club
    - Awareness
    - Membership
    - Perceptions of The Club
    - Attitudes Toward The Club
- CONCLUSIONS AND IMPLICATIONS
- APPENDIX
    - Demographics and Composition of the Sample
    - Catalog Imagery

2071655008

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

OBJECTIVES

- This QualiVue study was conducted to understand overall consumer response to the 1994 V-Wear Catalog. Specifically, this research explored:

  - Recall of Mailing
  - Reactions to V-Wear Catalog
  - Items Most Likely To Be Ordered
  - Imagery Projected By Catalog
  - Comparison of 1994 V-Wear Catalog to 1993 Catalog
  - Coupon Usage
  - Virginia Slims Club Awareness and Involvement
  - Potential Impact of Program on Purchasing Behavior
  - Differences in response to the mailing by key subgroups were also examined (Women 21-34, 35-44 and 45-64 year olds, Virginia Slims and Competitive Smokers, those who will order, and 1993 responders).

2071655009

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

METHODOLOGY

Semi-structured, in-depth interviews were conducted among 179 females smokers who were aware of receiving the V-Wear Catalog Mailing. The sample was drawn from the Philip Morris Direct Mail Database. Quotas were established to obtain:

- Age

21-34	54
35-44	54
45-64	71

- Regular Brand

Virginia Slims	115
Competitive 100 / 120's	64

- 1993 Catalog Responders

Virginia Slims Smokers	28
Competitive Brand Smokers	5

Closed-ended responses were entered into CATI. The analysis is a synthesis of closed-ended tabulations and open-ended responses.

2071655010

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

SUMMARY OF FINDINGS

The mailing successfully attracted the attention of its intended audience, with more than three-fourths recalling having received it. The 1994 Catalog appears to be more impactful than the 1993 version, eliciting significantly higher levels of unaided awareness.

The 1994 V-Wear Catalog was also quite effective in generating attention and usage. Readership, retention and interest in ordering were all significantly higher in 1994 than for 1993.

Not surprisingly, Virginia Slims smokers have significantly higher interest in the Catalog than Competitive smokers. In addition, those who ordered from last year's Catalog are disproportionately likely to order from the 1994 Catalog.

A key element in the intended audience's positive response to the 1994 Catalog is its upscale, attractive and tasteful style and presentation.

As in 1993, the leather jacket was the most memorable item in the Catalog, helping to establish the modern, contemporary and stylish image for the entire collection. Also as before, the lighter is the item most likely to be ordered, based on its perception as a unique, practical and attractive item combined with the relatively low number of required UPC's.

2071655011

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

Most of the other items were well-regarded and stimulated the interest of the intended audience, with the exception of the floral scarf, choker kit and tattoo kit.

Recipients are most likely to suggest that the Catalog be improved by broadening the variety of merchandise for older women, providing more functional items, and expanding the range of sizes.

The V-Wear Catalog contributes to a favorable image of the Virginia Slims smoker: a modern and stylish young adult woman who is active, outgoing and sociable. This is consistent with the imagery described in recent qualitative research.

The Catalog may generate some incremental purchasing among Competitive smokers, as thirty-eight percent indicate that they will buy Virginia Slims more frequently as a result of the V-Wear Catalog. This compares to 10% for current Slims' smokers.

The coupons were universally memorable and effective in generating use among both Virginia Slims smokers (95% plan on using them) and Competitive Brand smokers, more than half of whom indicate they will use them.

2071655012

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

The Virginia Slims Club is extremely well regarded among members, who enjoy both its tangible advantages (coupons, gifts) and, perhaps, even more the intangible benefits and satisfaction associated with being recognized and appreciated as a smoker.

2071655013

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

DETAILED FINDINGS

Catalog Reactions

1. Awareness Of The Mailing

Consistent with 1993 screening results, approximately 6 of 10 people contacted for this study were in the intended audience for the mailing -- regular smokers of either Virginia Slims or a Competitive 100mm/120mm brand.

Among the intended audience, 78% remembered receiving the V-Wear Mailing vs. 71% in 1993. Those smokers who did not recall the mailing were eliminated from the study.

An indication of the 1994 Catalog's impactfulness is the finding that 32% of the intended audience were aware of the Catalog on an unaided basis -- significantly higher than the 19% who remembered receiving it on an unaided basis in the 1993 study.

2071655014

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

AWARENESS OF THE MAILING

	1994		1993	
	Total Contacts	Total Virginia Slims/ Competitive Smokers	Total Contacts	Total Virginia Slims Competitive Smokers
Base: Total Contacts	(438)	(251)	(314)	(191)
	%	%	%	%
Smokers of Virginia Slims/ Competitive Smokers	57	100	61	100
Total Awareness of Mailing	45	78	42	71
Unaided	18	32 *	13	19
Not Aware of Mailing	12	22	19	29

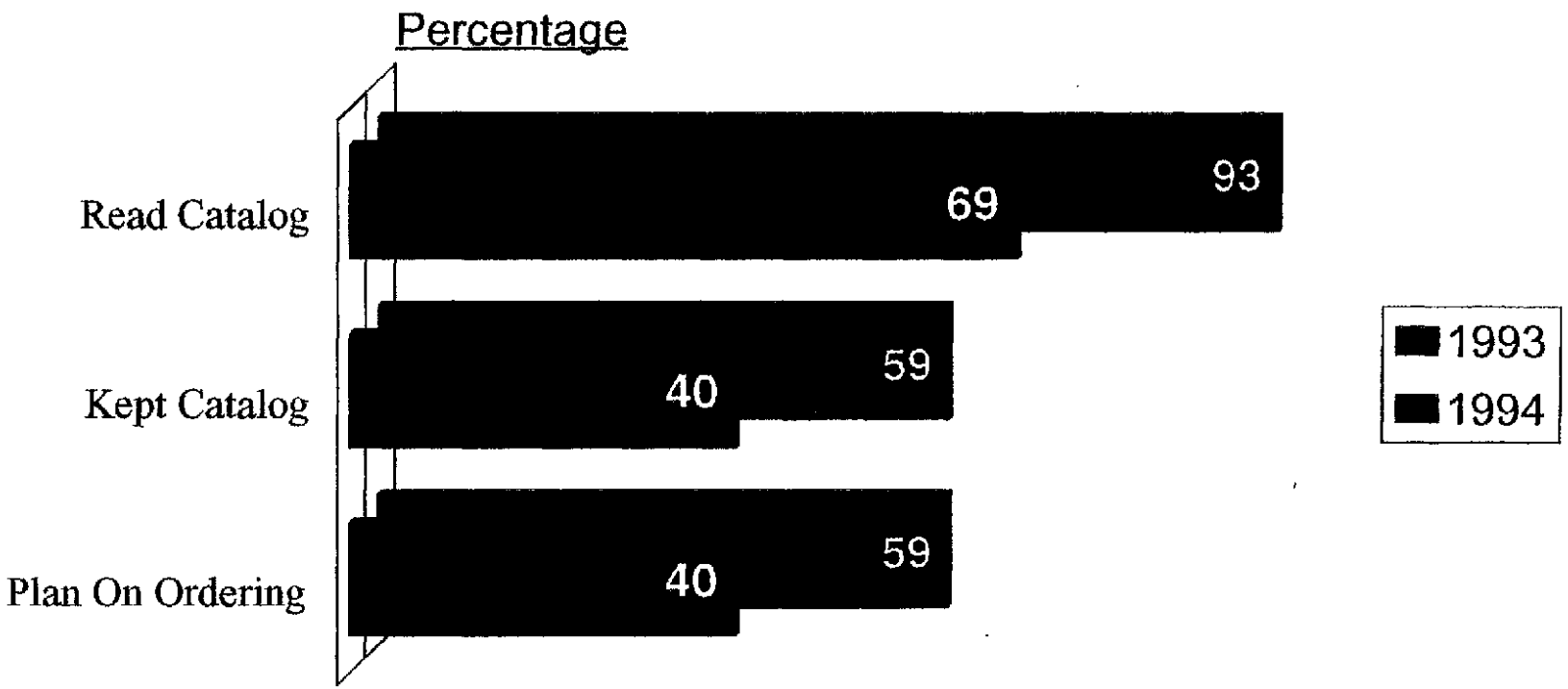
* Significantly higher than comparable 1993 result at the 95% confidence level.

2071655015

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

2. Involvement With The Catalog

The 1994 V-Wear Catalog effectively attracted the attention of its intended audience, and was successful in enticing them to read the catalog and express an interest in ordering. Encouragingly, the levels of readership, retention, and interest in ordering for the 1994 Catalog are all significantly higher than what was observed for the 1993 version.



2071655016

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

Not Surprisingly, involvement with the catalog is significantly higher among Virginia Slims smokers than Competitive Brand smokers.

- Almost all Virginia Slims smokers (98%) have read the catalog vs. 84% of Competitive Brand smokers.
- 72% of Virginia Slims smokers plan on ordering from it, double the level of Competitive Brand smokers.

Young adult women 21-34 seem to be more involved with the Catalog than women 35-64 (although it should be noted that Virginia Slims smokers tend to be younger than competitive smokers).

- Seven out of ten of the younger adult group plan on ordering from the catalog compared to 54% of those 35+.

The most favorable response to the 1994 V-Wear collection was offered by those who responded to the 1993 Catalog. All of these women have read the 1994 version and 91% plan on ordering from it, indicating that they must have been pleased with the merchandise they received in 1993.

2071655017

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

V-WEAR CATALOG REACTIONS

	Total	Age 21-34	Age 35-44	Age 45-64	Regular Brand: Virginia Slims	Regular Brand: Competitive Brands	1993 Responders
Total Respondents	(179)	(54)	(54)	(71)	(115)	(64)	(33) *
	%	%	%	%	%	%	%
Catalog							
Read Catalog	93	96	91	93	98	84	100
Kept Catalog	59	65	56	56	73	33	88
Saving UPC's	63	74	57	59	78	36	97
Plan on Ordering	59	70	56	54	72	36	91

Significantly different at the 95% confidence level.

* Note: Small Base Size

2071655018

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

3. Recall

Respondents' top-of-mind associations with the catalog focused on three basic elements of the catalog mailing: specific items featured, the style of the packaging, and the coupons. Their high degree of involvement with the catalog is reinforced by the specific level of detail they recall regarding these elements.

- The target audience remembered many of the specific items that were featured in the catalog, especially the leather jacket.

  "It had a leather jacket and a tote bag and a watch and a choker and a lighter, a shirt, a vest."

  "I could buy a Virginia Slims leather jacket, a Virginia Slims tote bag, maybe a scarf."

  "They have a burgundy vest in there, and I'd like to get that, a pendent lighter. I think they have a brocade bag that I was interested in and their tee shirt because I like their tee shirts also. There was more than that in there, they had a big white shirt."

  "It was a catalog with a jacket and shirts and jewelry."

2071655019

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

- The style of the packaging was very well received by recipients of the 1994 V-Wear Catalog and is a direct factor in the Catalog's ability to attract attention and stimulate involvement.

  "It made me want to open it to see what was inside."

  "It was very nicely done. It surprised me when I opened it up and saw what it was because there was some kind of parchment on it and it was a very nice presentation.

  "It was a very pretty catalog. I thought it was very tastefully done."

  "It was an eye catcher because it was in an attractive package."

  "I thought the funny paper on there was pretty cool. That was something different."

  "I remember it had a funny kind of paper over the magazine. Onionskin, I think that's what it's called."

- Most people (66%) remembered that coupons were included in the mailing on an unaided basis, and noted the specific details associated with the various coupon offerings.

2071655020

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

The Items

The two items in the Catalog which generate the most attention are the leather jacket and pendant lighter (consistent with the findings from the 1993 V-Wear QualiVue Study).

- On an unaided basis, the leather jacket caught the attention of the highest percentage of smokers (31%) followed closely by the pendant lighter (26%).

- The item most likely to be ordered is the pendant lighter. On an unaided basis, 32% of those who plan to order something intend to order the lighter. When asked specifically about the lighter, 45% of those who are likely to order something stated that they are *very likely* to purchase it.

The lighter appears to be the favorite item because it is unique, practical and more attainable than the leather jacket.

> *"They had a cute little necklace lighter, I'm always losing lighters, if I wear it around my neck, I won't lose it."*
>
> *"I liked the little lighter that was in there. That was probably one of the cheapest things."*
>
> *"The lighter. It was probably something that I will use as well as being able to acquire enough UPC codes to purchase it."*

2071655021

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

The leather jacket follows the lighter in popularity with 25% of those planning on ordering mentioning it on an unaided manner and 35% saying they are *very likely* to order it on an aided basis. The one obstacle to purchasing the leather jacket appears to be the high number of required UPC's - 400.

> *"The leather jacket was really pretty, slightly out of reach, though. It was 400 symbols and that's a lot."*
>
> *The signature jackets are nice but I'll never save up enough to get them."*

Among the other items, the big white shirt, watch, burgundy vest, tapestry tote bag, sunglasses, quote tee shirt, and suede pouch also evoke some interest among those who are *likely* to order.

- Big White Shirt (80 UPC's) -- 34% of those who intend to order from the catalog are *very likely* to order it
- Watch (240 UPC's) -- 33%
- Burgundy Vest (100 UPC's) -- 32%
- Tapestry Tote Bag (60 UPC's) -- 30%
- Quote Tee Shirt (30 UPC's) -- 28%
- Sunglasses (40 UPC's) -- 26%
- Suede pouch (175 UPC's) -- 21%

2071655022

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

The items least likely to be ordered are:

- Tattoo Kit (20 UPC's) -- 9% *very likely* to order among intenders
- Floral Scarf (55 UPC's) -- 9%
- Choker Kit (35 UPC's) -- 14%

While the relative appeal of the lighter and leather jacket is generally consistent across most smoker subgroups, some directional differences do appear (Note: small base sizes):

- Smokers 45-64 are more likely to indicate aided top-box (*very likely*) interest in ordering the floral scarf and burgundy vest than younger adult smokers.
- Younger adults are <u>more</u> interested in the pendant lighter, suede pouch, and sunglasses than older smokers, and <u>least</u> interested in the tapestry bag and tattoo kit.
- Not surprisingly, smokers of competitive brands appear more prone than Virginia Slims smokers to express *very likely* interest in ordering items with lower UPC requirements, including the following:
  - Pendant Lighter
  - Quote Tee Shirt
  - Tapestry Tote Bag
  - Sunglasses

2071655023

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

- However, they have little interest in the scarf, choker kit or tattoo kit despite their low UPC requirements.

> *"Probably the lighter. It was probably something that I will use as well as being able to acquire enough UPC codes to purchase it with."*
>
> *"Well, I'll order the lighter first and then from there I'll see how many I can save and so long as the offer is good."*

- Those smokers who responded to the 1993 V-Wear Catalog are disproportionately *very likely* to order high UPC items, including the leather jacket, suede pouch, and burgundy vest. This indicates that they must be very loyal Virginia Slims smokers who may even be hoarding UPC's.

2071655024

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

Comments Regarding Some of the Other Items

The Watch

"I thought the watch was kind of unique, like a charm bracelet watch."

"I had never seen one like that before. It was real nice, because it was different."

"It's got a small watch band that is very tiny. The face of the watch is real unique, and its got charms on it which I've never seen on a watch."

The Big White Shirt

"They had an oversized big white shirt, a blouse rather, that was very pretty with ruffles on it."

"The ruffled shirt was nice if it came in my size."

The Burgundy Vest

"I like that vest because it was a real color, like a purplish mauve color."

"I liked the vest. The print on it looked like the outside of the envelope the booklet came in."

2071655025

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

The Tapestry Tote Bag

"I did like the handbag. It was like a drawstring tote type bag, and I need something like that."

"I thought about the tapestry bag, even though I don't really need it."

2071655026

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

REACTIONS TO ITEMS IN CATALOG

	Unaided				Aided	
		Likely To Order				
	Caught Attention	First Mention	Other Mentions	Total	Very Likely To Order	Very Likely/ Likely To Order
Total Respondents	(179)	(106)*	(106)*	(106)*	(106)*	(106)*
	%	%	%	%	%	%
Leather Jacket (400 UPCs)	31	18	7	25	35	40
Pendant Lighter (40 UPCs)	26	16	16	32	45	61
Big White Shirt (80 UPCs)	18	4	13	17	34	46
Watch (240 UPCs)	17	12	11	23	33	46
Burgundy Vest (100 UPCs)	15	12	7	19	32	43
Tapestry Tote Bag (60 UPCs)	13	10	11	21	30	45
Sunglasses (40 UPC's)	11	6	14	20	26	38
Quote Tee Shirt (30 UPCs)	11	3	9	12	28	39
Suede Pouch (175 UPCs)	8	5	8	13	21	29
Floral Scarf (55 UPCs)	6	-	3	3	9	16
Choker Kit (35 UPCs)	3	5	4	9	14	29
Tattoo Kit (20 UPCs)	1	1	-	1	9	11

* Among those who said they are planning to order something.

2071655027

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

ITEMS MOST LIKELY TO BE ORDERED (UNAIDED)

	Total	Age			Regular Brand		1993
		21-34	35-44	45-64	Virginia Slims	Other	Responders
Base: Intend To Order From Catalog	(106)	(179)	(106) *	(106) *	(106) *	(106) *	(106) *
	%	%	%	%	%	%	%
Pendant Lighter	32	37	30	29	30	39	33
Leather Jacket	25	24	23	26	28	13	30
Watch	24	24	30	18	28	9	20
Tapestry Tote	22	16	23	26	21	26	23
Sunglasses	20	21	27	13	22	13	27
Burgundy Vest	19	16	20	21	18	22	20
Big White Shirt	17	21	17	13	22	-	27
Suede Pouch	12	11	20	8	15	4	20
Quote Tee Shirt	11	11	7	16	11	13	17
Choker Kit	9	11	3	11	11	-	10
Floral Scarf	3	-	3	5	4	-	3
Tattoo Kit	1	-	-	3	1	-	-

* Note: Small Base Sizes

2071655028

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

ITEMS MOST LIKELY TO BE ORDERED (AIDED)

		Age			Regular Brand		
	Total	21-34	35-44	45-64	Virginia Slims	Competitive Brands	1993 Responders
Base: Intend To Order From Catalog	(106)	(38) *	(30) *	(38) *	(83)	(23)	(30)
	%	%	%	%	%	%	%
Pendant Lighter	45	55	43	37	40	65	43
Leather Jacket	35	32	30	42	37	22	43
Big White Shirt	34	32	37	34	33	39	37
Watch	33	29	37	34	35	29	30
Burgundy Vest	32	26	30	40	31	35	40
Tapestry Tote Bag	30	21	37	34	27	44	30
Quote Tee Shirt	28	29	27	29	22	52	30
Sunglasses	26	32	23	24	24	35	27
Suede Pouch	21	26	17	18	19	26	43
Choker Kit	14	16	7	18	14	13	17
Floral Scarf	9	3	7	16	7	13	20
Tattoo Kit	9	3	13	11	7	13	-

* Note: Small Base Sizes

2071655029

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

Catalog Imagery

1994 V-Wear Catalog is clearly perceived as being oriented towards young adult modern and stylish women.

- At least half of all respondents completely agree that the catalog is for:
  - Young adult women
  - Modern, contemporary women
  - Stylish women

- Only 5% completely agree that the catalog is for older women.

> *"I like the new, updated clothes. They're stylish."*
>
> *"I think that it is definitely designed for younger adult women."*
>
> *"It's for a particular taste. All the clothes go together, all the bags go together, all the jewelry fits with all the clothes."*

Younger adults 21-34 are most likely to *completely agree* that the Catalog is "for women like me" (37%), but not at a level significantly higher than what was observed for women 35-44 (20%) or 45-64 (27%). Younger adults also exhibit directionally higher ratings on "What I'd expect from Virginia Slims" (57%) and "Contains items that are useful" (50%).

2071655030

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

As might be expected, Virginia Slims smokers are more responsive to the relevance of the items in the Catalog than smokers of Competitive Brands.

- They are significantly more prone to *completely agree* that the Catalog "Has items that fit my style" (28% vs. 14%) and had directionally higher ratings on such attributes as "Is for women like me" (31% vs. 20%), "Contains luxury items I wouldn't get for myself" (37% vs. 27%) and "Has things I'd like to order" (49% vs. 34%).

In addition to their involvement with the brand, the younger adult skew of the Virginia Slims franchise relative to Competitive smokers was also a probable contributor to their more favorable attitude towards the Catalog and its items. Competitive smokers were directionally more likely to *completely agree* that the Catalog "Is for young adult women".

Responders to the 1993 Catalog are especially likely to perceive the 1994 version as being more relevant to them. Despite their small base size, they exhibit substantially higher ratings than the total for the following attributes:

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

	1993 Responders	Total
Has Things I'd Like to Order	70%	44%
Contains Luxury Items I Wouldn't Usually Get for Myself"	55%	33%
Is For Women Like Me	46%	27%
Has Items That Fit My Style	33%	23%
Has Things That Fit My Needs	33%	22%

"This one had more items to offer."

"This Catalog was definitely more flamboyant."

"It seems to have more items and more variety than before."

2071655032

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

ATTRIBUTE RATINGS OF CATALOG

Agree Completely

		Age			Regular Brand		
	Total	21-34	35-44	45-64	Virginia Slims	Competitive Brands	1993 Responders
Total Respondents	(179)	(54)	(54)	(71)	(115)	(64)	(33)
	%	%	%	%	%	%	%
Is For Young Adult Women	53	50	46	59	49	59	39
Is For Modern, Contemporary Women	51	50	44	58	53	48	64
Is What I'd Expect From Virginia Slims	51	57	54	44	52	48	49
Is For Stylish Women	50	43	46	58	53	44	55
Has Things I'd Like To Order	44	52	39	41	49	34	70
Contains Items That Are Useful	41	50	41	34	40	42	52
Offers Me More Value For My Money	41	46	37	39	40	42	52
Is For Trendsetters	34	35	24	41	37	30	32
Contains Luxury Items I Wouldn't Usually Get For Myself	33	32	35	32	37	27	55
Is for Women Like Me	27	37	20	25	31	20	46
Has Items That Fit My Style	23	28	19	23	28	14	33
Has Things That Fit My Needs	22	26	17	24	23	22	33
Is For Older Women	5	2	11	11	3	9	3

☐ Significantly different at the 95% confidence level.

2071655033

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

A comparison of the results of the 1994 V-Wear QualiVue study with those observed in 1993 indicates that perceptions of the Catalog were virtually identical, except for the following difference:

- 1994 Catalog recipients were significantly more likely than those in 1993 to *completely agree* that it "has things I'd like to order" (44% vs. 33%).

Smokers who do not intend to order from the Catalog had a much less favorable impression of it then those who plan on placing an order. The lack of relevance exhibited by this group may be a function of their age: (non-intenders are substantially older than those smokers who do intend to order from the 1994 Catalog) or the fact that they are less likely to be Virginia Slims smokers.

	Intend To Order	Do Not Intend To Order
Base: Total	(115)	(73)
	%	%
Age		
21-34	36	22
35-44	28	33
45-64	36	45

☐ Significantly different at the 95% confidence level.

2071655034

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

ATTRIBUTE RATINGS OF CATALOG

Agree Completely

	1994 Study	1993 Study
Total Respondents	(179)	(120)
	%	%
Is For Young Adult Women	53	53
Is For Modern, Contemporary Women	51	53
Is What I'd Expect From Virginia Slims	51	53
Is For Stylish Women	50	50
Has Things I'd Like To Order	44	33
Contains Items That Are Useful	41	43
Offers Me More Value For My Money	41	35
Is For Trendsetters	34	43
Contains Luxury Items I Wouldn't Usually Get For Myself	33	32
Is for Women Like Me	27	28
Has Items That Fit My Style	23	23
Has Things That Fit My Needs	22	22
Is For Older Women	5	6

Significantly different at the 95% confidence level.

2071655035

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

ATTRIBUTE RATINGS OF CATALOG

Agree Completely

	Total	Intend to Order From Catalog	Do Not Intend to Order From Catalog
Total Respondents	(179)	(106)	(73)
	%	%	%
Is For Young Adult Women	53	50	56
Is For Modern, Contemporary Women	51	59	41
Is What I'd Expect From Virginia Slims	51	61	36
Is For Stylish Women	50	54	44
Has Things I'd Like To Order	44	64	14
Contains Items That Are Useful	41	51	26
Offers Me More Value For My Money	41	52	25
Is For Trendsetters	34	38	29
Contains Luxury Items I Wouldn't Usually Get For Myself	33	40	23
Is for Women Like Me	27	41	8
Has Items That Fit My Style	23	34	7
Has Things That Fit My Needs	22	33	7
Is For Older Women	5	6	4

☐ Significantly different at the 95% confidence level.

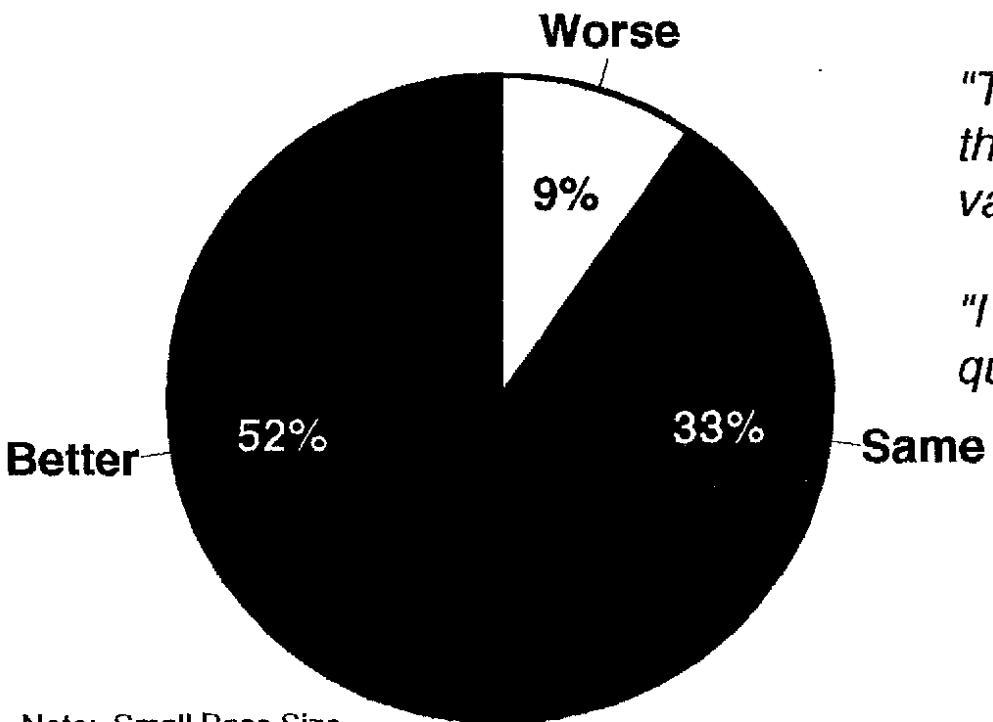
2071655036

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

Comparison of 1994 and 1993 Catalogs Among 1993 Responders

Those respondents who ordered from the 1993 Catalog were extremely satisfied with it, with over one-half (52%) rating the quality of the merchandise they ordered as better than they expected.

Quality of Merchandise in 1993
V-Wear Catalog Versus Expectations



"The quality was very good, though they probably would offer more of a variety."

"I loved the Tee Shirt, the style and the quality."

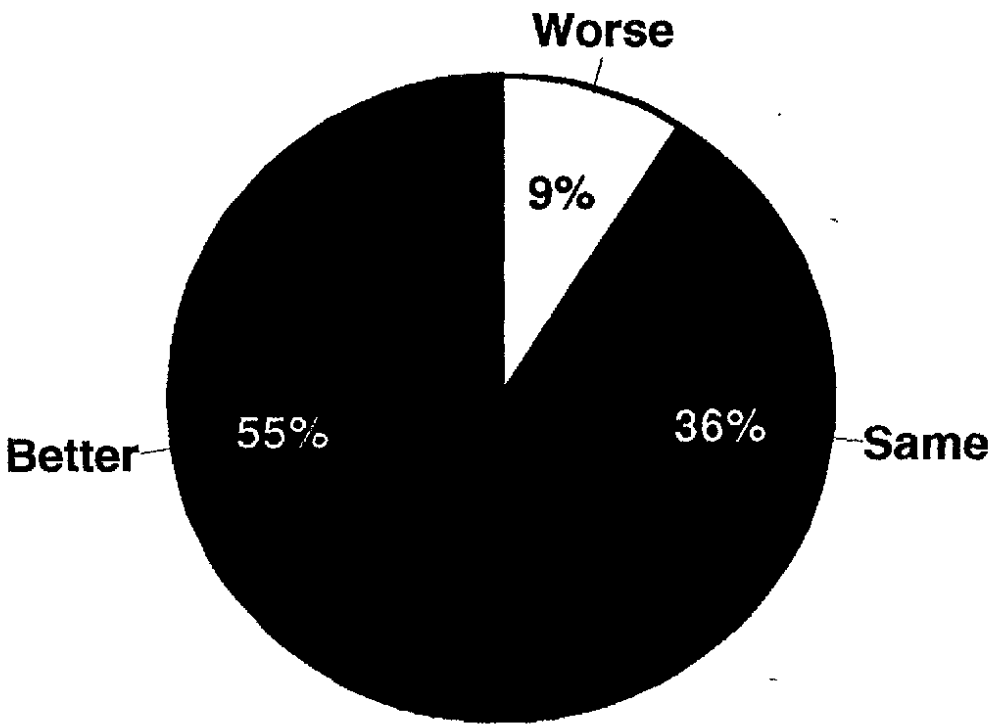
Note: Small Base Size

2071655037

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

Despite the favorable impression of last years' Catalog and satisfaction with the items received, smokers who ordered from the 1993 version and plan on ordering in 1994 expressed more positive attitudes toward the 1994 Catalog than the 1993 Catalog. Over one-half rate the 1994 version better on an overall basis.

Compared To Last Years' V-Wear Catalog,
1994 Catalog Is . . .



Note: Small Base Size

2071655038

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

Apart from the quality of the merchandise, the look and presentation of this year's Catalog is extremely impactful and positively regarded. The attention-getting cover of the 1994 Catalog is particularly cited as a primary factor in the more favorable impression it evokes versus last year's alternative.

"This one was more impressive. The way it came in this burgundy tapestry looking envelope, and then it came wrapped with this little seal and this white opalescent paper."

"I think I'd remember this new one just because of the cover."

"I really liked the way the 1994 Catalog came in a packet. It had a clear (cover), like a wedding invitation in a way."

"This catalog was definitely more flamboyant."

Both Catalogs are perceived to be trendy, for stylish women, and for younger adult women. However, the 1994 Catalog is clearly viewed as more upscale than the 1993 version. Neither Catalog is considered descriptive of older adult women.

"I think they upscaled it from what I remember. This was upscale, I mean even if you didn't want to know what was in there you would open it just because it was so pretty."

2071655039

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

"This one looked more attractive and professionally done than the other one."

"I liked the cover and the presentation better this year."

There is a sense that the 1994 V-Wear Catalog has more in it than last year.

"The cover was more eye-catching and it seemed like there was more stuff in the second one that I'd order."

"The 1994 Catalog has more items in it and more variety than before."

"I believe this one has offered more things that I would be interested in."

"I think they've got more pages in this one. I guess I would say I like it better because there's more information on the items."

2071655040

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

ATTRIBUTES - 1994 vs. 1993 V-WEAR CATALOG

Among Recall Receiving 1993 Catalog

	Describes '94 Catalog	Describes '93 Catalog	Describes Both Catalogs	Describes Neither Catalog
Is Upscale	41%	3%	47%	9%
Is Trendy	26	1	72	1
Has Luxury Items I Wouldn't Buy For Myself	22	5	55	18
For Younger Adult Women	21	5	69	5
For Stylish Women	21	1	73	4
Offers Me More Value For My Money	19	10	55	13
Has Items That Fit My Style	17	12	55	15
Is What I'd Expect From Virginia Slims	17	9	67	8
Is Down To Earth	12	10	50	24
Is for Women Like Me	12	6	58	24
For Average, Everyday Women	10	9	51	28
For Older Adult Women	9	8	19	63

2071655041

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

Suggested Catalog Improvements

The perceived orientation of the Catalog towards younger adult women tends to limit its appeal among older smokers. Consumers consistently offer the same suggestion for improving the Catalog and stimulating their interest in ordering from it: broaden the variety of merchandise to address the (less trendy) needs of older women.

> *"They've got a wide age range of women who smoke Virginia Slims, probably things that would be more appealing to people older than 21."*

> *"Get off the high fashion thing and come back to real earth to things people in my age would even consider to wear."*

> *"Have something for us older people."*

The desire to have a more functional selection of items to choose from is also offered as a potential catalog improvement.

> *"Put out a catalog that has a variety of things in it. Kitchen gadgets to jewelry to tape recorders to cameras."*

2071655042

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

"More merchandise for my needs. Maybe household types of things or jewelry items."

"More items, maybe more necessary things rather than trendy things."

A secondary suggestion for improvement of the 1994 Catalog relates to the need to provide different sizes in the clothing being offered.

"I liked some of the clothes and stuff but they weren't my size."

"I would maybe order the vest, if it came in a bigger size, in a women's size."

"Larger sizes in clothing would help."

In terms of sizes, those who plan to order the big white shirt, burgundy vest or leather jacket are generally divided in their intention to order small/medium versus larger sizes of those items.

2071655043

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

	Size Preferences		
	Bit White Shirt	Burgundy Vest	Leather Jacket
Base: Plan To Order Item	(18) *	(20) *	(26) *
	%	%	%
Age			
Small/Medium	44	55	65
Large/X-Large	50	45	31
Don't Know	6	-	4

Small: 19%
Medium: 46%

* Note: Small Base Sizes

2071655044

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

Image of Virginia Slims Smoker Derived From The Catalog

The contemporary, stylish image evoked by the V-Wear Catalog is successfully extended to the Virginia Slims smoker. Based on the Catalog, the personality of the typical Virginia Slims user is likely to be described as:

- A young adult most likely in her 20's or 30's
- Modern and contemporary
- Stylish, and very feminine, but casual
- Either married or single

In terms of hobbies and interests, the Virginia Slims smoker is strongly perceived as being involved with outdoor, sports-related activities. They are viewed as athletic, enjoying such hobbies as golf, boating, skiing and horseback riding.

The Catalog suggests that Slims smokers are sociable. They have outgoing personalities, and like to dance and get dressed up.

"They look like they'd be doing anything active, in sportswear."

"They would be very outgoing, probably like to go out and enjoy outdoor activities, music, things of that nature."

"They probably have outdoor hobbies of some kind, like with sports."

"They'd be out a lot, socializing, probably dancing at nightclubs."

2071655045

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

Potential Impact of V-Wear Program on Purchase of Virginia Slims

On an overall basis, the V-Wear Catalog has the potential to generate marginal levels of incremental purchases for Virginia Slims, especially among competitive smokers. 38% of Competitive smokers indicate they will buy the brand more often than before. This compares to 10% of the current Slims' franchise who claim that they will purchase Virginia Slims more frequently, strengthening their loyalty to the brand.

	Competitive Smokers	Virginia Slims Smokers
Will Buy More Virginia Slims Than Before	38%	10%
Same As Before	45%	88%
Less Than Before	17%	2%

"It's like getting more for your dollar."

"I might have my eye on something in the catalog, and they taste good."

"If you can get free things by something you are already purchasing it is very nice."

"I've got my heart set on something that I want to get for my daughter so I make sure that I buy them."

2071655046

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

"I can get something for nothing. I can get something besides just my cigarettes."

"Because I would like to get maybe the cigarette lighter or watch."

There is no difference by age among these adult women smokers in their intention to shift their purchase frequency of Virginia Slims as a result of the Catalog. One in five adult women 21-34, 35-44 and 45-64 claim that they will buy Virginia Slims more than before now that they can collect UPC codes to redeem for merchandise.

2071655047

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

INFLUENCE OF COLLECTING UPCs FOR MERCHANDISE

		Age			Regular Brand	
	Total	21-34	35-44	45-64	Virginia Slims	Competitive Brands
Total Respondents	(179)	(54)	(54)	(71)	(115)	(64)
	%	%	%	%	%	%
Will Buy Virginia Slims More Than Before	20	19	20	21	10	38
Will Buy Virginia Slims the Same as Before	73	78	74	68	88	45
Will Buy Virginia Slims Less than Before	7	4	6	11	2	17

Significantly different at the 95% confidence level.

2071655048

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

Coupon Usage

1. Coupons From The Catalog

As anticipated, consumers were pleased and enthusiastic regarding the inclusion of the Virginia Slims coupons with the Catalog. Over three out of five respondents have already used the coupons in the V-Wear mailing. An additional 18% plan on using them; only 14% intend to either give the coupons to someone else or throw them away.

Virtually all respondents recalled the coupons which were included in the mailing; two-thirds mentioned receiving Virginia Slims coupons on an unaided basis. Recipients effectively remembered the specific details of the coupon offerings.

"It gives the coupons $2 off a carton and $1 off if you purchase 4 packs at a time."

"There were coupons for $1 off 4 packs and a 10 point bonus coupon was in there."

2071655049

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

Among Virginia Slims smokers, 95% have used or plan on using the coupons. 55% of Competitive smokers have or will use the coupons.

Virginia Slims Smokers

"There's stuff in there that I'm going to order with the coupons."

"I enjoy seeing what I could get for what I collected."

"I haven't ordered anything but I've used the coupons for the cartons."

"I didn't use the coupons yet but I definitely will use them for cigarette packs and for the clothing."

Competitive Brand Smokers

"When I get coupons I smoke whatever brand the coupons are for."

"I'll keep the catalog because I might get enough coupons to send for something."

2071655050

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

The majority of smokers in this research (71%) would ask their friends or family members to help them collect Virginia Slims UPC codes. 17% state that others currently are engaged in this practice, while 7% indicate that they are saving the coupons for someone else.

2071655051

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

2. General Usage of Coupons

Over nine out of ten people surveyed state that they use cigarette coupons. They usually find their coupons:

Through the mail	70%
In newspapers/magazines	55%
On packs/cartons	9%
In the store	9%

Coupons play a meaningful role in generating alternative purchases for Virginia Slims among Competitive smokers. 27% of these consumers whose regular brand is not Virginia Slims cite coupons as a reason for purchasing Slims.

Reasons for Alternate Purchase of Virginia Slims

When Regular Brand Is Not Available	33%
When I have a Coupon	27
For A Change	9
To get something from the Catalog	6
When V. Slims are discounted	3
Other	49 Very large

2071655052

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

Importantly, Virginia Slims smokers appear to be more brand loyal than Competitive Brand smokers.

- Only 2% of Virginia Slims smokers would be *very likely* to buy another brand if they had a coupon versus 34% of Competitive users.

- 19% of Virginia Slims smokers said they would be *very* or *somewhat likely* to buy another brand if they had a coupon compared to 72% of Competitive Brand smokers.

2071655053

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

The Virginia Slims Club

Awareness

Approximately half of the V-Wear Catalog recipients are aware of the Virginia Slims Club. Surprisingly, Virginia Slims smokers and Competitive Brand smokers claim equal levels of awareness of the Club.

Aware of Virginia Slims Club	
Total	47%
21-34	57%
35-44	43%
45-64	42%
Virg. Slims Smokers	48%
Competitive Smokers	45%
Will Order from Catalog	52%
Won't Order from Catalog	40%

2071655054

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

Membership In The Club

Among those aware of the Virginia Slims Club, about two-thirds indicate that they are a member, with claimed length of membership varying from 2 months to 6-7 years.

Perhaps surprisingly, it appears that smokers of competitive cigarettes are as likely as Virginia Slims smokers to think they are members of the Club. 16% of Virginia Slims users are not sure whether or not they are a member.
(Note: Small base sizes)

Membership In Virginia Slims Club

	Regular Brand	
	Virginia Slims	Competitive Brands
Base: Aware of Club	(55)	(29)
	%	%
Are A Member	64	69
Are Not A Member	20	24
Don't Know	16	7

2071655055

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

When asked how they became a member, many smokers appear confused or unsure. Most assume it is because of something they once filled out on a coupon, card or survey.

"I would assume that it was something I sent in, I'm not sure on that."

"I'm not really sure, I may have returned a card or something that was attached to one of the mailings."

"I must have filled out something that came in a carton, but again I don't remember."

2071655056

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

Perceptions Of The Club

Overall

On an unaided basis, most smokers aware of the Club describe it as a way to be involved in the UPC Program to collect free merchandise and as a way to get coupons for cigarettes.

> *"I would say that's where you save your UPCs and send them in and you get free merchandise."*

> *"You receive mail with coupons and merchandise catalogs."*

> *"I think it is a club where you can get coupons and they send you the catalog to get stuff."*

> *"You get coupons in the mail and you have an opportunity to collect the UPCs."*

Members

The perceived advantage of the Club for current members is savings -- through the free gifts, the opportunity to get merchandise from the catalog and especially through coupons.

2071655057

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

"I get my coupons, every now and then they have little gifts that they send."

"Saving money with coupons."

"They send me the catalog, they send me coupons and they send me free things like free lighters and stuff."

"Coupons and the opportunity to buy some of the products."

Non-Members

For non-members, the perceived benefits of membership are the same as for current members -- savings and a chance to order merchandise.

"Samples and gift offers and coupons and catalogs."

"That I would receive the coupons and the catalog with the merchandise and coupons in it."

"Catalogs with other stuff in it, dollars off on cartons and stuff like that."

"Coupons for cartons of cigarettes or purchases."

2071655058

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

Non-members are unsure of what they will have to do to become a Virginia Slims Club Member.

"Sign a form."

"Send in money."

"Fill out an application."

"Just buy Virginia Slims."

"Order something out the catalog."

Competitive Smokers

Opinions are mixed regarding the benefits of club membership for Competitive Brand smokers. Some Competitive Brand smokers are less interested because they do not see any advantages for non-smokers of Virginia Slims; it is unlikely that these smokers would begin using Virginia Slims simply to join the Club.

"I don't smoke them, I don't see that there would be any benefits unless you were looking for coupons, but I'm not."

2071655059

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

Other Competitive Brand smokers would be interested because, like Virginia Slims smokers, they equate joining with savings.

"If it would help me financially, I would be interested in it."

"As long as I smoke and I can get something of value from it, then it would have to be for my benefit, I'm getting something for my money."

2071655060

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

Members Attitudes Towards The Club

Members enjoy being a part of the Virginia Slims Club. Over four out of five like being a member with half stating that they *extremely like* their membership.

Rating of Slims Club Among Members

Like Extremely	(7)	51%
	(6)	15%
	(5)	20%
(Neither Like Nor Dislike)	(4)	7%
	(3)	5%
	(2)	0%
Do Not Like At All	(1)	2%

For members, being a part of the Virginia Slims Club combines the tangible benefits of obtaining free merchandise with the emotional satisfaction of being recognized, especially as a smoker.

2071655061

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

"Saving money and being able to buy things that I wouldn't buy for myself."

"That I get things that I ordinarily wouldn't be able to get."

"Getting something extra for buying the cigarettes."

"That somebody out there likes smokers."

"It makes me feel special."

"It's nice to know that somebody cares about a person that smokes."

2071655062

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

CONCLUSIONS AND IMPLICATIONS

The 1994 V-Wear Catalog was extremely well-received. Not only was the mailing successful in generating high levels of recall, readership and involvement, it also serves to reinforce smokers' perceptions of Virginia Slims imagery.

- Consumers' perceptions of the Catalog's orientation are consistent with what we hear expressed about the brand's image at qualitative research: sociable, modern, and stylish young adult women.

- Furthermore, the catalog portrays the Virginia Slims smoker to be an active and outgoing woman, an image that most of these smokers find appealing, regardless of their age. This is also consistent with findings from qualitative research.

One of the key factors in the 1994 Catalog's ability to generate attention and stimulate smokers' interest was its unique, upscale styling and presentation. The "packaging" of this year's Catalog, which was described as classy, professional and tasteful, encouraged recipients to read it and keep it. It also appears to have enhanced the desirability of the merchandise.

2071655063

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

As in 1993, the leather jacket sets the tone for the Catalog, in terms of the perceived quality of the merchandise and its stylish up-to-date imagery. Also consistent with 1993 results is the finding that the lighter should be the most often ordered item, as it is both practical and attractive while requiring a low level of UPC's.

It is important to note that low UPC requirements do not necessarily guarantee high interest levels. Several items besides the lighter that have low UPC requirements appear unlikely to stimulate interest, e.g., the choker kit (35 UPC's), tattoo kit (20 UPC's) or floral scarf (55 UPC's).

While the merchandise appears to be more relevant to young adult smokers than to smokers over age 45, older smokers are still likely to maintain some interest in the Catalog, finding items that they perceive to be useful (i.e., watch, tote bag). Nevertheless, recommended improvements for future catalogs often involve offering a wider array of both styles and sizes -- which would be appropriate for older as well as younger adult women.

2071655064

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

Findings about the Slims Club are consistent with those described in the 1993 Direct Mail Research Final Report (issued March 9, 1994). In general, members of the Club exhibit a high degree of satisfaction with being a part of it and are appreciative of the fact that Virginia Slims recognizes them and cares about them as individuals and as part of a group. Two predominant reasons for this satisfaction are:

- The savings realized through the free gifts, coupons, and opportunity to obtain merchandise from the Catalog.

- Perhaps even more importantly, the intangible, emotional benefit of being part of an affinity group of smokers.

Based on these positive findings, involvement with the Club should help strengthen smokers' involvement with Virginia Slims, even among competitive smokers.

2071655065

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

We also learned that there is some confusion about what the Slims Club is and how one gets to be a member. This indicates that greater efforts should be made to introduce new members to the Club, explain its benefits, and insure smokers that there is no obligation to purchase cigarettes or merchandise (some smokers think they would have to pay to join or that it is a gimmick to get them to buy things). Perhaps "first time" members should be sent a letter of introduction about the Club to explain its benefits.

In summary, both the Catalog and the Slims Club seem to have the potential to increase involvement with the brand, even among Competitive smokers. Not only do they provide added value, they also offer a good opportunity to reinforce the brand imagery communicated by current advertising.

2071655066

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

APPENDIX

2071655067

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

DEMOGRAPHICS

	Total	Regular Brand: Virginia Slims	Regular Brand: Competitive Brands	Will Order	Will Not Order
Total Respondents	(179)	(115)	(64)	(106)	(73)
	%	%	%	%	%
Race					
White	94	92	97	90	100
African-American	4	4	3	7	-
Hispanic	1	2	-	2	-
Other	1	2	-	2	-
Age					
21-34	30	34	23	36	22
35-44	30	31	28	28	33
45-64	40	35	48	36	45
Education					
Less Than H.S. Graduate	9	7	13	11	7
H.S. Graduate	48	45	53	44	53
Some College or More	43	48	33	44	40
Marital Status					
Married	64	64	64	65	63
Single	15	15	16	16	14
Divorced/Separated/Widowed	21	21	20	19	23
HH Income					
Under $30,000	34	35	31	36	30
$30,000 And Over	63	60	67	60	66

2071655068

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

COMPOSITION OF THE SAMPLE

Cigarette Usage

	Total Respondents (179) %
Regular Brand	
Virginia Slims	64
Other Brands	36
Types of Cigarettes	
100's	73
120's	27
Menthol	54
Non-Menthol	46
Full Flavor	26
Lights	48
Ultra Lights	27
Mean Packs Smoked Per Week	8

2071655069

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004

COUPON AWARENESS AND USAGE

		Age			Regular Brand			
	Total	21-34	35-44	45-64	Virginia Slims	Competitive Brands	Will Order	Will Not Order
Total Respondents	(179)	(54)	(54)	(71)	(115)	(64)	(106)	(73)
	%	%	%	%	%	%	%	%
Remember Coupons	97	98	98	94	98	94	98	95
Used Coupons	62	70	57	59	81	28	76	43
Will Use	18	15	20	20	14	27	21	15
Give Away	7	7	7	7	1	19	1	16
Throw Away	7	6	11	4	2	16	-	16
Other	2	-	-	4	1	3	1	3
Don't Know	1	-	2	-	-	2	-	1

Significantly different at the 95% confidence level.

2071655070

Source: https://www.industrydocuments.ucsf.edu/docs/sqkn0004